

CALIFORNIA HIGH-SPEED RAIL AUTHORITY

MONTHLY MEETING

TRANSCRIPT OF PROCEEDINGS

Sacramento City Hall

915 I Street, City Council Chambers

Sacramento, California 95814

Thursday, August 2, 2012

9:03 a.m.

BRITTANY FLORES

CERTIFIED SHORTHAND REPORTER

LICENSE NO. 13460

A P P E A R A N C E S

BOARD MEMBERS

Mr. Tom Richards, Vice-Chair

Ms. Lynn Schenk, Vice-Chair

Mr. Bob Balgenorth

Mr. Jim Hartnett

Mr. Michael Rossi

Mr. Thomas Umberg

STAFF

Ms. Angela Reed, Interim Board Secretary

ALSO PRESENT

Mr. Jeff Morales, CEO

Mr. Thomas Fellenz, Esq., Legal Counsel

--o0o--

I N D E X

1		
2		Page
3	Public Comment	8
4		
5	Approval of Meeting Minutes from April, May,	
6	June, & July Meetings	32
7		
8	Approval of Caltrans Inter-Agency Agreement	
9	for the Relocation of Hwy 99	33
10		
11	Approval of Amendment to Small Business	
12	Program	39
13		
14	Approval and Adoption of Environmental	
15	Justice Policy and Guidance	47
16		
17	San Jose to Merced: Update	54
18		
19	Revised Draft EIR/EIS Fresno to Bakersfield	60
20		
21	Update on Title VI Program	79
22		
23	Update on Small and Disadvantaged Business	
24	Enterprise Program Disparity Study	79
25		

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

INDEX CONTINUED

Page

CEO Report

73

--o0o--

1 SACRAMENTO, CALIFORNIA, August 2, 2012

2 9:03 a.m.

3 --o0o--

4
5 MR. RICHARDS: Good morning everybody and
6 welcome to the August 2012 meeting of the High-Speed
7 Rail Authority Board. I'd like to announce before we
8 actually get started that our Chair, Dan Richard, is
9 unable to be with us today, and Vice-Chair Lynn Schenk
10 and I will be filling in for him today.

11 MS. SCHENK: It takes two of us.

12 MR. RICHARDS: With that stated, can we call
13 the roll, please.

14 MS. REED: Vice-Chair Schenk.

15 MS. SCHENK: Here.

16 MS. REED: Vice-Chair Richards.

17 MR. RICHARDS: Here.

18 MS. REED: Mr. Umberg.

19 Mr. Hartnett.

20 MR. HARTNETT: Here.

21 MS. REED: Mr. Balgenorth

22 MR. BALGENORTH: Here.

23 MS. REED: Mr. Rossi.

24 MR. RICHARDS: So at this point, we do not
25 have a quorum yet, right?

1 MS. REED: Turn your mic on.

2 MR. RICHARDS: I'm sorry. I'm sorry. Do we
3 have a quorum?

4 MS. REED: We do not. Mike Rossi is due
5 here any time.

6 MR. RICHARDS: We're going to take care of
7 some things before we get started this morning. I'd
8 like it if we could first have the Pledge of Allegiance
9 executed then by Vice-Chair Schenk.

10 MS. SCHENK: Would you rise please and join
11 me.

12

13 (Pledge of Allegiance recited.)

14

15 MR. RICHARDS: Thank you. Just a couple of
16 quick comments, if I may, before we start the agenda
17 this morning.

18 First, I would like to announce or recognize our
19 Chair, Dan Richard, this week was honored in Washington,
20 D.C. at the White House as a recipient of the Champion
21 of Change, specifically in Transportation Innovation.
22 For those of us who sit upon this board and have worked
23 with him for the last year plus, we understand how well
24 he deserves this. He represents, I'm sure we will all
25 say, the finest independent service but also in this

1 state and to this nation, and so we add our
2 congratulations to Dan.

3 And secondly, on a slightly more somber note, I
4 would also like to announce that our Chair notified to
5 the members this week that one of our board members who
6 has been with us for a number of years and has served
7 faithfully, Russ Burns, has retired in order to devote
8 all of his focus on the administration of his duties as
9 the head of Local Three.

10 I keep going in and out. For that, I apologize.
11 We're trying to figure out what's wrong here. Does this
12 one work? Try that one.

13 At any rate, Russ has been very actively involved
14 in helping to achieve the goals that we have been able
15 to accomplish this year, which has been pretty momentous
16 and with the achievement of those goals, he is needing
17 to turn his time and his efforts towards the
18 administration of Local Three, and we will miss him. He
19 has been a dedicated and honorable member of this board
20 and has served this state very well. We'll miss his
21 comradery and his friendship.

22 And finally, I don't think he needs any
23 introduction, but I want to introduce Jeff Morales. I
24 believe this is his first public meeting with us, Jeff.
25 As you know, Jeff is our new Executive Director, joining

1 us in the beginning of June. His face and his voice
2 should not be new to any of you who have been coming to
3 our meetings as he's been providing a tremendous amount
4 of consulting insight and knowledge for sometime. We
5 are thrilled to death that he chose to take this
6 position. He's doing a terrific job, I can tell you
7 without equivocation, over these first two months, and
8 we look forward to his continued participation in making
9 high-speed rail a reality in California.

10 Welcome, Jeff.

11 MR. MORALES: Thank you.

12 MR. RICHARDS: Now, we'll move on to our
13 agenda items, but before we do that, we're going to take
14 public comment. And I'm going to ask Vice-Chair Schenk
15 to begin this now, and I'll excuse myself.

16 MS. SCHENK: Thank you. New mic system.
17 Thank you very much.

18 The first public commenter is Lee Ann Eager, and
19 after Ms. Eager, it will be Fred Jordan. So if the
20 speakers will sort of make their way to the front in the
21 interest of time.

22 Good morning.

23 MS. EAGER: Good morning. And
24 congratulations to all of you. I know that vote a
25 couple weeks ago was a little bit scary, but thanks to

1 all of the work, you know that it is going forward, and
2 we're in the high-speed rail business. So
3 congratulations.

4 I just wanted to fill you in real quickly on what
5 we're doing in Fresno. As you know, I'm the CEO of the
6 Economic Development Federation, and we have been
7 working closely with the City of Fresno and the County
8 of Fresno, and we've been meeting with all of the
9 businesses along the alignment to get them prepared for
10 what's to come. We've been at mostly large meetings
11 with 200 and then individual meetings with just property
12 owners. It's been very successful. They have been very
13 receptive to hear what's going to be happening and what
14 their options are. We have been putting together a list
15 of places they can move within the county. It's really
16 been giving them general information about what's to
17 come.

18 We have been hosting events. This last week, we
19 were very pleased to host Mr. Wilcox in Fresno. We have
20 had community leaders at meetings. We're very excited
21 about hosting Mr. Morales next week.

22 I also have a statement from Supervisor Perea,
23 and as you know, he does not miss a meeting unless it's
24 very important.

25 MS. SCHENK: This is the second one. I'm

1 counting.

2 MS. EAGER: But wait until you hear this.
3 Now you'll know why.

4 "I apologize for missing today's High-Speed Rail
5 Authority meeting. As Lee Ann Eager reads this
6 statement on my behalf, I am attending the California
7 State Association of Counties Executive Committee where
8 they're taking up the topic of high-speed rail. As a
9 member of the CSAC Board, it was a very important
10 meeting for me to attend and participate in as it is
11 imperative for the organization to maintain state-wide
12 support for your project, and that's my role.

13 Fresno Works remains steadfast in its support for
14 high-speed rail, and we will continue to do so as you
15 move your project forward into the implementation stage.
16 As you have many important decisions to make in the very
17 near future, we would also encourage you to make a
18 decision on the location of the heavy maintenance
19 facility as soon as possible. We need additional good
20 news.

21 Thank you again for all that you do to make
22 high-speed rail a reality in California."

23 So yes, he has missed two meetings but both of
24 those, he was advocating for high-speed rail someplace
25 else.

1 MS. SCHENK: Thank you very much, and I'm
2 sorry I failed to announce that, as usual, we have a
3 two-minute limit on public comment. So thank you.

4 MS. EAGER: Thank you.

5 MS. SCHENK: Fred Jordan and following
6 Mr. Jordan, Diana LaCome.

7 MR. JORDAN: Good morning. My name is Fred
8 Jordan. I'm the Chair of APAC, Associated Professionals
9 And Contractors, and we have been working with the
10 Authority for the last two years now. Today is a
11 historic date for us because you are going to be voting
12 on the ten percent DBE. We're elated, and we appreciate
13 your support in the past, and indeed, you are one-half
14 of the way there because you brought in the thirty
15 percent small business, and now you can complete this.
16 We have a game-changer here in accordance with 72
17 percent minority and state, 55 percent -- twenty percent
18 unemployment. This can make the difference, a real
19 difference. It is a win/win, and I want to thank you
20 for your support in advance.

21 MS. SCHENK: Thank you very much. Diana
22 LaCome and following Ms. La Come is Robert S. Allen.

23 MS. LACOME: Good morning, Vice-Chair Schenk
24 and members of the board. I'm Diana La Come. I'm the
25 President of APAC, Associated Professionals And

1 Contractors.

2 First, you kind of stole my thunder because I
3 wanted to congratulate Chairman Richard on his
4 acknowledgement by the White House as the Transportation
5 Champion of Change. So congratulations to him.

6 Second, thank you, board members and staff, for
7 addressing the many issues we have raised for the past
8 two years such as Title VI, the disparity study, and so
9 on, particularly the DBE goal that you're going to be
10 voting on today. Thank you for following what FRA
11 directed you to do in their final decision of the
12 September 15th, 2011 letter. They asked you to follow
13 the best practices of 49 CFR part 26, the DBE program,
14 and you're doing that. So thank you for that.

15 Last week, your work and ours has just begun
16 really. The real work is coming up. It's the oversight
17 and implementation of the SBE/DBE and DVBE program.

18 I'd like to reiterate a previous recommendation
19 that has been discussed here, and that is in order for
20 this board to really keep track of, you know, how the
21 prime contracts are doing on their contracts, to ask
22 them to make monthly reports here in front of you so
23 that you know what they're attaining every month. We
24 know what their goals are going to be in the beginning,
25 but if they start, at least at a minimum, quarterly

1 reporting what is being done, I think that will help
2 everybody. Thank you very much.

3 MS. SCHENK: Thank you.

4 Robert S. Allen followed by Rich Dryden.

5 Good Morning.

6 MR. ALLEN: Good morning. High-speed rail
7 should safely unite the north and south in California.
8 Running high-speed rail on the Caltrain track blended,
9 however, is just too dangerous. There are 43 peninsula
10 grade -- peninsula grade crossings with pedestrians,
11 cars, and tracks. The high-speed rail trains could be
12 inches away from unprotected passengers on the Caltrain
13 platform. There is a better, cheaper, safer way to
14 bring high-speed rail into the Bay Area. That's to
15 upgrade and follow the Union Pacific rail line long-used
16 by Amtrak's line from San Jose and Santa Clara SJC
17 station, which I hope you put in, to a joint high-speed
18 rail BART station in west Oakland, where BART crosses
19 over the UP corridor.

20 BART trains run every few minutes to the four
21 downtown San Francisco stations. The station is
22 convenient to the east end of the Bay Bridge. BART
23 trains would serve much of the Bay Area. Upgrading
24 would include grade separation, fencing, and motor
25 tracking to seal that track. There would be four major

1 sources of savings. One is electrifying the Caltrain's
2 incompatibility. It's incompatible with converting to
3 BART for a five -- it would save time and terminal rail
4 facilities in San Francisco. There would be no need for
5 a subsequent tunnel underneath the San Francisco Bay or
6 essentially Sacramento.

7 MS. SCHENK: Thank you, also appreciate your
8 comments.

9 Rich Dryden who will be followed by David
10 Schwegel.

11 MR. DRYDEN: Good morning. Thank you. Rich
12 Dryden, Executive Director of the California Disabled
13 Veteran Business Alliance. I would like to sincerely
14 thank the board for the inclusion of the three percent
15 DVBE goal in the California high-speed rail small
16 business plan. You can't imagine how important that is.
17 Over the next three to five years, more and more
18 disabled veterans return to California to live here, and
19 they try to integrate back into society economically and
20 may not be able to find jobs and may be unemployable but
21 may be able to run a business. So thank you very much.

22 Secondly, we would like to strongly support the
23 approval today of the ten percent Disadvantaged Business
24 Enterprise goal into the California High-Speed Rail
25 small business plan in accordance with the understanding

1 that we have the Federal Authority forty-nine 26 and
2 mirroring that gets done through the federal highway
3 authority with Caltrans. Thank you very much.

4 MS. SCHENK: Thank you.

5 David Schwegel followed by Joe Debbs followed by
6 Lou Zalar. I hope I pronounced that correctly.

7 Mr. Schwegel.

8 MR. SCHWEGEL: Good morning. David
9 Schwegel. I, too, want to extend my congratulations to
10 Mr. Chairman, Dan Richard, on Transportation Innovator
11 Champion of Change award, and I would also like to
12 expresses my appreciation to all of you valuable leaders
13 on the valuable gold nuggets -- for this golden
14 opportunity for our golden state. We have just started
15 our climb up El Capitan, and I'm really inspired by the
16 Hall of Fame leaders that I saw on yesterday's US HSR
17 e-newsletter, and I am especially inspired by our
18 Senator pro Tem Darrell Steinberg.

19 As we face treacherous terrain and storm clouds
20 ahead, we can certainly be inspired by the fact that we
21 do, in a state that is a firm believer in thinking big.
22 Speaking of thinking big, one of our challenges is
23 communications and outreach, and I wanted to encourage
24 us to check out the various communications and outreach
25 resources available from the US High-Speed Rail

1 Association. In particular, they have a high-speed rail
2 intelligence service coming up that is talking about
3 business and tourism impacts of intercommunications rail
4 systems paralleling to the development here in the US
5 coming soon to a PBS station near you. That's
6 www.hightspeedrail.TV. Check out PBS in the near future
7 for this fantastic communication outreach opportunity.
8 Thank you.

9
10 (Michael Rossi enters meeting.)

11
12 MS. SCHENK: Thank you Mr. Schwegel. As Mr.
13 Debbs makes his way to the microphone followed by Mr.
14 Zalar, I just want to remind everyone, if they want to
15 speak, please get the green slip in to the board
16 secretary. We will be open for about another five
17 minutes. Thank you.

18 MR. DEBBS: Good morning. My name is Joe
19 Debbs. This is my first meeting, and I'm just so happy
20 to see high-speed rail finally surface. I'm a former
21 Amtrak conductor, Union Pacific and Southern Pacific
22 conductor for 38 years, and I've been hoping and praying
23 that we finally get some transportation besides the
24 turtle and snail trains that we have going now. It's
25 been very frustrating. I think it's a very safe --

1 high-speed rail is going to be a very safe means of
2 transportation. I think it's going to be very
3 efficient, and it's going to be adequate. And
4 hopefully -- I heard someone talk about crossing. In
5 the past several years, one of the goals of the railroad
6 is to eliminate crossings because of the high speed and
7 the trains begin to increase their speed, so hopefully
8 that won't be a problem.

9 I support the High-Speed Rail Resolution 12-21
10 regarding the ten percent Small Business Enterprise as
11 well as the thirty percent small business goals as well.

12 I wanted to ask a question. Is this going to be
13 a mandated or a voluntary goal?

14 MS. SCHENK: This is public comment period,
15 and that will be answered during the presentation by the
16 staff.

17 MR. DEBBS: Okay.

18 MS. SCHENK: Okay?

19 MR. DEBBS: All right.

20 MS. SCHENK: Thank you very much.

21 Mr. Lou Zalar followed by Mr. Ralph Kasarda.

22 MR. ZALAR: My name is Lou Zalar. I'm here
23 with a little success story as far as the DBEs go. I
24 represent a certified small disadvantaged print business
25 here in Sacramento. A few months ago, we were fortunate

1 enough to be selected. Now, we weren't under quantity
2 but study gave us an opportunity -- the keyword
3 opportunity -- we would not have had this except for
4 this program. After we completed the initial draft
5 copies consisting of thousands of pages and thousands of
6 CDs, I imagine they could breath a little easier. The
7 final version was printed up in excellent quality, all
8 the lines were met.

9 I just wanted to say thank you to Circle Point,
10 ACOM, and although we might be an extra step in the
11 whole process, we can be an effective asset towards some
12 in the high-speed rail project. Thank you.

13 MS. SCHENK: Thank you very much. Mr. Ralph
14 Kasarda followed by Tate Hill.

15 MR. KASARDA: Good Morning. On behalf of
16 the Pacific Legal Foundation and its medical/legal
17 opponent, the Authority's adoption of the overall DBE
18 goal at this time, even if it is to be achieved through
19 race-neutral methods, would likely violate federal law
20 and the California constitution. The suggested overall
21 ten percent goal is based entirely on proposed
22 congressional language in Senate Bill 1813, which has
23 yet to be passed by the House. The bill proposes
24 changes in federal regulations by making national DBE
25 goals ten percent applicable to projects administered by

1 the FRA. The Authority declares it is required by the
2 FRA to incorporate the best practices of the federal DBE
3 regulations, but those regulations specifically prohibit
4 the very action the Authority is considering.

5 2645E states it cannot simply rely on either the
6 ten percent applicable without references to relative
7 availability of DBEs in the market. That same section
8 also states that your overall goal must be based on
9 demonstrable competitiveness to the availability of
10 ready, willing, and able DBEs relative to all businesses
11 ready, willing, and able to participate under DOT's
12 contracts. Without it, the Authority lacks demonstrable
13 evidence of DBE availability.

14 2641B clearly warns the national ten percent goal
15 does not authorize a recipient to set overall goals at
16 the ten percent level if their calculated goals are not,
17 in fact, ten percent.

18 The Authority, like any other federal aid
19 recipient, may not avoid the goal-setting procedures
20 required on federal DBE regulations by simply adopting
21 the national ten percent goal. Since the federal
22 regulations do not simply adopt the DBE goal, it cannot
23 be said that the Authority must do so in order to
24 receive federal funding. The Authority does require the
25 following Article One Section 31 of the California

1 Constitution and refrain from encouraging prime
2 contractors to refer subcontractors on the basis of race
3 or sex. Thank you.

4 MS. SCHENK: Okay. Thank you very much.

5 Tate Hill followed by Paul Guerrero.

6 MR. HILL: Hello. Tate Hill from the Fresno
7 Metro Black Chamber of Commerce, also representing the
8 California Black Chamber of Commerce. Just wanted to
9 come and represent our support for Item Three for the
10 ten percent DBE goal. We are elated that the High-Speed
11 Rail Authority Board is looking to increase this
12 outreach and opportunity for minority and DBE firms
13 within the area, and just within the Fresno County area
14 alone, there are more than 15,000 small minority-owned
15 businesses. And these businesses are looking for
16 opportunities to engage and participate with the
17 contractors that will be selected as the prime
18 contractors for this project.

19 This is a great edition to supporting the
20 Authority's 30 percent small business concerns goal, and
21 our chambers are willing to support in engaging and
22 outreaching to DBEs and supporting those efforts. So
23 thank you very much, and we appreciate the support that
24 you're providing to small businesses today.

25 MS. SCHENK: Thank you for your comments,

1 Mr. Hill.

2 Mr. Guerrero followed by Marvin Dean, who will be
3 followed by Vita Wright.

4 We're getting Mr. Umberg on the line. So he will
5 be joining us soon -- in a moment, but Mr. Guerrero,
6 Hello.

7 MR. GUERRERO: Good morning. I want to add
8 one thing to what I was going to talk about. The
9 gentleman who just spoke before me from our opponents --
10 the Pacific Legal Foundation -- failed to state that the
11 FRA did direct the agency to perform a disparity study,
12 and the disparity study only leads to one answer, which
13 is a DBE goal, and so you do have a disparity study.

14 What I want to talk about, though, is something
15 different. You're here today to adopt an EJ policy. An
16 EJ policy is something that you adopt at the earliest
17 stage on the planning to involve the community in your
18 project. Had this been done at the earlier stage of the
19 planning, which I assume was somewhere along 2002, you
20 would not have had lines of people up here before you
21 went to various meetings asking, "What's going on?"
22 That's what an EJ is supposed to do, go out and inform
23 the public, to have meetings with them. "How can we
24 help you?" "How is this going to affect you?" "How can
25 we prevent damages?" And so forth.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

(Mr. Umberg joins the meeting via telephone.)

MR. GUERRERO: So it's great that you're doing this. We're apparently running ten years behind schedule, and I would suggest that this board ask for a presentation on what's been done to-date to implement this policy and how does your staff plan to catch up with running ten years behind because people need to know that there's going to be a train running through their yard not like the people who have been coming up here speaking before you. They need to know what's going on. They need to have town meetings. There needs to be a meeting there. There needs to be a meeting in Fresno. There needs to be a meeting in Bakersfield. People need to be invited. There needs to be flyers and multi-language flyers to address the population. So if your staff is ten years behind, we hope that you can give them a little bit of a nod to get them going. Thank you.

MS. SCHENK: Thank you, Mr. Guerrero.

Marvin Dean followed by Vita Wright.

MR. DEAN: Good evening.

MS. SCHENK: Good morning.

MR. DEAN: I've been up all night out here,

1 but anyway, good morning. I want to, first of all,
2 before I start my remarks, I want to thank the entire
3 board. There's been a lot of hard work by all of you at
4 this point, and I also want to welcome and thank our new
5 CEO that's coming on board, and I also want to thank our
6 CEO, acting CEO, general counsel, acting to a
7 capacity -- I mean, it took all of us to get to this
8 point. I think we all -- what I want to say first of
9 all -- also I support the remarks from APAC. I'm a
10 member of the APAC. I'm going to be real brief. I see
11 the time. I'm going to supplement my comments there.

12 Item Number Two, I believe you're going to
13 outsource some of this to Caltrans. We believe that
14 Caltrans -- we responded to Caltran. Caltrans should
15 also follow the thirty percent goal and should be --
16 it's going to be entering into this interagency with
17 Caltrans.

18 The ten percent goal, we strongly support that.
19 I'm not going to spend a lot of time on that, but I
20 think it's only the right thing to do.

21 And then the fourth, the Item Number Four,
22 Environmental Justice Policy, I think we need to do more
23 in those communities because it's going to impact the
24 Environmental Justice. We've not done enough to get
25 these people ready. We're at a place to do that.

1 We support Items Two, Six, and Seven as staff
2 read them, and then the last thing on the disparity
3 study, we think we need to do that now because that will
4 also evaluate adjusting the final -- the final DBE goal
5 because I believe we're going to talk about right now,
6 the race neutral. So therefore, anybody, any ethnicity,
7 can be certified. So it's not any particular group but
8 once we do the study -- so I support those items. I'll
9 leave it at that. Thank you.

10 MS. SCHENK: Thank you very much.

11 Vita Wright followed by Michael Lamb.

12 MS. WRIGHT: Good morning. My name is Vita
13 Wright. I'm the owner of Veridico Group, Inc., a small,
14 woman-owned business and certified DBE in Roseville,
15 California. My comment is regarding Agenda Item Three,
16 which is DBE participation goal. My experience is that
17 usually the small business and specifically DBE
18 participation goals are not met unless they are
19 enforced, and DBE firms across California have
20 tremendous amount of capability and are looking for
21 meaningful participation in this project.

22 And finally, I want to congratulate the board and
23 the State of California for finally getting this project
24 going and actually brining California transportation to
25 the 21st century. Thank you.

1 MS. SCHENK: Thank you, Ms. Wright.

2 Michael Lamb followed by Karen South.

3 MR. LAMB: Good morning. My name is Michael
4 Lamb. I'm from Hanford, California, and I stand here
5 today in opposition to the high-speed rail project, and
6 my reasons for this opposition are many, but I just want
7 to make a few.

8 The high-speed rail project as you submit
9 Environmental Impacts Study and Environmental Impact
10 Report, I guess EIR, was released within the last two
11 weeks. It is 30,000 pages long. Have you read it?
12 I've looked at it. I haven't had time to read 30,000
13 pages in less than two weeks. I think by doing this,
14 you deprive me of my due process rights to review this,
15 to look at this. This is my right to review this. I
16 think that this, this project, is probably needed, not
17 now. I think it needs to be reviewed more closely. I
18 think that there's a lot of rushed judgment business
19 that is -- that is leaving out a lot of critical,
20 critical information.

21 Very nice pictures here, which are very nice,
22 there, like those pictures, which are beautiful, but
23 fanciful. I think your project is fanciful. Thank you
24 very much.

25 MS. SCHENK: Thank you, Mr. Lamb.

1 Karen Stout followed by Frank Oliviera.

2 MS. STOUT: Good morning. My name is Karen
3 Stout. I'm a walnut farmer in Kings County and also a
4 member of Citizens of California for High-Speed Rail
5 Accountability. I'm looking over this EIR/EIS, and I am
6 a certified schoolteacher, and I just looked up through
7 the ag section, there, which is a four in Volume Number
8 Two and came across US Ag Department Natural Resources
9 Conservation Service Attachment Number One. So I'm
10 looking through your report, and I'm finding two pages
11 that look exactly the same. They're exactly the same
12 form. It doesn't really distinguish which one is and
13 which one the other one is, but they have corridor A, B,
14 C, and D on both of the forms and part three, and it's
15 exactly the same form, and it doesn't say which this is
16 and which the other form is.

17 So I find I don't know how in this form, how
18 anybody is even -- information I've been given here. So
19 I'd like to know how to go about finding out what
20 corridor I am in because I know that I'm in the Eastern
21 Alignment through Kings County, which is now called the
22 Hanford Alignment through Kings County, which -- when
23 you look at the map, is called the H Alignment through
24 Kings County. And now I have corridor -- I don't know
25 if I'm A through D, but I did discover on the page

1 previous to this that I had a choice between Kings One
2 through Six, and I eliminated Four, Five, and Six. So
3 I'm either Kings One, Two, or Three, and maybe I'm King
4 One, I think, maybe. I'm not sure, but this is how
5 we're trying to navigate through this report.

6 Um, the other thing I wanted to mention, on this
7 specific page, this Attachment Number One, is that it
8 states there are no, no indirect acreage that this
9 converted from ag -- out of ag, I guess, is what you --

10 MS. SCHENK: Ms. Stout, if you would please
11 wrap up.

12 MS. STOUT: Okay. Anyway, there's no way
13 that no indirect acreage is affected. I think that
14 "zero" there makes no sense whatsoever.

15 MS. SCHENK: Thank you.

16 Public comment cards, now if anybody has one,
17 we'll take it now. Otherwise, time for submitting them
18 is closed, and we will have Mr. Frank Oliviera and our
19 last speaker General Jeff.

20 MR. OLIVIERA: My name is Frank Oliviera. I
21 represent the Citizens for California High-Speed Rail
22 Accountability. We're reviewing the more than 30,000
23 page -- the 30,000 page Fresno to Bakersfield revised
24 draft Environmental Impact Report. 30,000 pages divided
25 by 60 days, the 60-day review period, equals 500 pages a

1 day, seven days a week reading 24 hours a day to
2 complete that operation. None of you or your engineers
3 have done that. You would die due to exhaustion as we
4 would. The reality is even worse.

5 There are only ten document locations in Kings
6 County, none open seven days a week, most open five days
7 a week and open less than eight hours a day and only
8 during business hours when people with jobs are
9 unavailable. Translation: Everyone cannot access the
10 documents for all of the 60-day period you have
11 allotted. But if they could, they could only do it for
12 eight hours a day, which means it would take three
13 times a day to read the same material at the same rate.
14 That does not account for the weekend closures, which
15 compound the problem.

16 The 60-day review period that you have given us
17 is unreasonable if you really want public participation.
18 The authors of CEQA would never have imagined the law
19 being applied to the largest infrastructure project in
20 the history of the US and only receiving a 60-day public
21 review. Remember, the statewide project review received
22 six months with far less information to consider. That
23 precedent has already been set.

24 We respectfully request that the Environmental
25 Impact Report review period be extended one hundred and

1 eighty days or one hundred and twenty days if the State
2 would make their documents more readily available to the
3 public at large. The CDs are helpful but cannot replace
4 the documents for those members of the public who are
5 not computer owners. This is an official request for
6 action from the board.

7 Thank you.

8 MS. SCHENK: Thank you, Mr. Oliviera.

9 General Jeff and then the last speaker Diane
10 Woods.

11 MR. JEFF: Good morning. My name is General
12 Jeff. I'm a proud Skid Row resident. I'm also on the
13 board of the downtown neighbor council where I'm the
14 vice president of outreach and communications. I'm also
15 a co-chair of the Skid Row Community Advisory Board for
16 the Department of Mental Health. I'm here before you
17 today on behalf of my community, and, again, just like
18 with the previous speakers, we have concern on the
19 30,000 pages of documentation and the short review
20 period. In the few pages I've been able to review,
21 there's major concern because we don't see any health
22 and wellness component items involved in there where we
23 will feel that -- very confident that our community in
24 Skid Row will be able to qualify for the DBE program,
25 and we definitely are excited about this opportunity,

1 but we don't see that health and wellness component that
2 would ensure our longevity throughout the duration of
3 this project.

4 So we hope that, not only just through the ten
5 percent to thirty percent of the DBE program, we hope
6 that there will be an overall health and wellness
7 component not only just for, for truly disadvantaged
8 folks but also the entire workforce that will be
9 involved with this whole entire project. Thank you.

10 MS. SCHENK: Thank you.

11 Our last speaker is Diane Woods.

12 MS. WOODS: Good morning. Thank you so much
13 for your proposed high-speed rail project. We think
14 it's exceptional. We are very glad that it is coming to
15 California, and we are also very appreciative about the
16 opportunity to make comments.

17 I have an earned doctorate in public health, and
18 I am also a community based researcher, in which I
19 involve the general population in helping them to find
20 and identify viable reasons for health and wellness.
21 This is an excellent opportunity for individuals to have
22 viable jobs and for sustainability over a long period of
23 time. So I am very pleased with that. There is a
24 section in the outline that talks about anticipated
25 problems and looking at other high-speed rail projects

1 whether in the United States or out of the United
2 States. In this area, we have a lot of research to
3 indicate that we need to pay attention for those who are
4 working on the ground that they are there for
5 sustainability and long-term process.

6 We would urge that in the evaluation of the
7 proposal that comes through under Section 7.11, under
8 Section 9.3, where we talk about technical weight in the
9 project, anticipated problems and proposed solutions,
10 please, please give high consideration regarding the
11 state and wellness of your small business minority
12 groups because this will mean that people will change
13 their livelihood and have opportunities for their
14 children and children to grow and we will have an
15 exceptional economy and we will have a better
16 environment. And we are suggesting that you add in your
17 evaluation component that the designer and those who are
18 going to be working on this issue will build in a
19 wellness program for our small businesses. Thank you so
20 much.

21 MS. SCHENK: Is the microphone on? Can you
22 hear me?

23 Thank you. That closes the public comment
24 period. For those of you who are new to these sessions,
25 let me just say that a number of questions and comments

1 and advice was given here, and you notice that we on the
2 board don't respond. It is our custom not to engage in
3 colloquy or discussion or debate during the public
4 comment period. This is the public's time to comment
5 but please be assured that all of your comments are
6 taken into account, into consideration by the staff, by
7 the board. And I think that is reflected by the
8 ultimate work that is done here, whether it's DBE or
9 rights-of-way, we take this into serious consideration,
10 and during the course of the presentation, some of your
11 questions and comments will be addressed.

12 So with that, we will now turn to the agenda.
13 We're at Item Number One, which would be the minutes of
14 the meeting of April 12, the minutes of the meeting of
15 April 19th, minutes of the meeting of May 18th, minutes
16 of the meeting of May 22nd, minutes of the meeting of
17 May 29th, minutes of the meeting of July 3rd. And this
18 says, "June 8th," but I assume that that might be a
19 typo; is that correct? It says, "Minutes of the meeting
20 of June 8th." All right. That is correct. That was
21 just misfiled. So I'm assuming that everyone -- ah, and
22 minutes of the meeting of May 2nd and 3rd and we've all
23 read the minutes.

24 Do I hear a motion?

25 MR. HARTNETT: Move for approval.

1 MS. SCHENK: Move for approval.

2 Second.

3 It's been moved and seconded. All in favor.

4 MR. RICHARDS: Aye.

5 MR. BALGENORTH: Aye.

6 MR. HARTNETT: Aye.

7 MR. ROSSI: Aye.

8 MR. UMBERG: Aye.

9 MS. SCHENK: Aye. We don't need a rollcall
10 for that, do we, Mr. Fellenz?

11 MR. FELLEENZ: For the record, Tom Umberg was
12 an "aye."

13 MS. SCHENK: Good. All right. So now we'll
14 move on to Item Number Two on the agenda, and our
15 Vice-Chair, Mr. Richards will be recusing himself from
16 this item. So we'll wait for you to leave the room.
17 Don't go too far. We need you for many reasons.

18 Tom Umberg is on the line, and we do have a
19 quorum.

20

21 (Mr. Richards exits.)

22

23 MS. SCHENK: Okay. Thank you. Let the
24 record reflect that Mr. Richards has left the room and
25 has recused himself, and we are into the Caltrans

1 Interagency Agreement, Item Number Two. Mr. Fellenz
2 will be making this presentation.

3 MR. FELLEENZ: Yes, Madam Chair and board
4 members, the staff is asking for approval of interagency
5 agreement for the relocation of Highway 99 and we're
6 asking for -- we're asking for approval of -- for a
7 budget up to \$225,900,000 for the relocation of Highway
8 99 from its current location within the limits of
9 Ashland Avenue through Clinton Avenue in the City of
10 Fresno. It's necessary to relocate Highway 99 because
11 the High-Speed Rail Authority is acquiring the property
12 within those limits to put the high-speed rail facility.

13 Caltrans has indicated they would be able to do
14 the work associated with the relocation of 99 as well as
15 place the high-speed rail facilities, which would be
16 building it up to the sub and not including the tracks,
17 and they could do that using the design-build format.

18 What we have done is we received a cost estimate
19 from Caltrans for a variety of the services needed to
20 complete this, which would include all of the costs
21 property acquisition, the design of the construction on
22 these facilities. I also just wanted to let you know
23 that internally we use contract and employees to develop
24 an estimate of their own for this associated work, and
25 Caltrans' estimate was between 166 million and 225

1 million, and internally, using contract consultants, we
2 came up with an estimate of 195 million, right in the
3 middle. We didn't have a high and a low like Caltrans
4 did.

5 So what we're asking is that you approve a budget
6 up to 225 million for this item, and I can answer any
7 questions you might have.

8 MS. SCHENK: Thank you, Mr. Fellenz.

9 Any comments questions from the board?

10 Mr. Umberg, are you still with us?

11 MR. UMBERG: I'm still here.

12 MS. SCHENK: Okay. Well, why don't we start
13 with you since we seem to have a good connection at the
14 moment. Any questions or comments?

15 MR. UMBERG: I have no questions.

16 MS. SCHENK: All right. Thank you.

17 Mr. Hartnett.

18 MR. HARTNETT: Yes. Thank you. Just in
19 terms of if we enter into this interagency agreement
20 with Caltrans, what is the Authority's role in
21 monitoring the project, both from the budget perspective
22 and an operational perspective?

23 MR. FELLEENZ: We would manage the budget for
24 this section just as we would on all our high-speed rail
25 construction and design. We will have access to the

1 trailer location or office space, it would be part of
2 this agreement, which we will share with Caltrans. So
3 we will have on-the-ground people monitoring. We'll be
4 doing plans that are generated as well as construction
5 oversight.

6 MS. SCHENK: Mr. Rossi.

7 Mr. Balgenorth.

8 MR. BALGENORTH: No questions.

9 MS. SCHENK: Well, let me just make a couple
10 of comments. Very excited. This is the first time
11 we're going to shovel dirt. It's very exciting after
12 30-plus years to finally come to this moment for me.

13 In terms of the Caltrans relationship, I think we
14 are doubly fortunate to have as our new CEO, Jeff
15 Morales, who was the director of Caltrans so knows all
16 their secrets and knows all their ins and out. So we
17 have an extra layer of oversight here. So we're
18 fortunate in that regard.

19 My question and concern really, Mr. Fellenz, and
20 for the staff is this: Having been around and having
21 been the Secretary of Business Transportation and
22 Housing of which Caltrans was a department and having
23 known Mr. Morales when he was the head of Caltrans, I've
24 seen these movies before, and sometimes the endings
25 aren't so great, and I'm particularly concerned and want

1 to focus on the issue of fraud. The issues of when
2 there's a lot of money involved, there are lots of
3 opportunities for everything from mismanagement to
4 theft, and so I just want to caution, again, staff to
5 make sure that we keep a real legal eye on that because
6 we have Caltrans who is going to be subcontracting with
7 various contractors in the private sector. And I know
8 we want to believe that everybody is very honest, but
9 the reality is that we sometimes lose lots of money,
10 lots of time and quality of work. So that is a personal
11 concern based on experience.

12 And second, I have a question that actually was
13 raised by one of the speakers and that is will the DBE
14 components that we will adopt later attach to these
15 particular contracts?

16 MR. FELLEENZ: Yes, we will have those same
17 provisions.

18 MS. SCHENK: Those same provision. All
19 right.

20 Okay. If there are no further comments or
21 questions -- yes, Jeff.

22 MR. MORALES: Madame Chair, this is one
23 example of the partnership that we will be creating with
24 Caltrans and other State agencies to work with the
25 program forward. One of the things that we will be

1 doing in conjunction with that is, to point out some of
2 your concerns, is to have high level -- myself and the
3 Caltrans director -- working closely together to oversee
4 this work to make sure that the partnership is working
5 the way that it's supposed to. So we appreciate your
6 concerns, and we certainly will be doing everything we
7 can to make sure these funds are spent appropriately and
8 we get the best value out of them as we can.

9 MS. SCHENK: Thank you. And it's a
10 reference probably most of you don't remember, I'll
11 sleep better at night knowing that you're in charge.

12 So without any further comment or question, do I
13 hear a motion?

14 MR. HARTNETT: Move for approval.

15 MR. SCHENK: Second.

16 Would the secretary call the roll.

17 MS REED: Vice-Chair Schenk.

18 MS. SCHENK: Yes.

19 MS. REED: Mr. Umberg.

20 MR. UMBERG: Aye.

21 MS. REED: Mr. Hartnett.

22 MR. HARTNETT: Yes.

23 MS. REED: Mr. Balgenorth.

24 MR. BALGENORTH: Yes.

25 MS. REED: Mr. Rossi.

1 MR. ROSSI: Yes.

2 MS SCHENK: The motion is carried.

3 Thank you very much, and could someone notify
4 Vice-Chair Richards that he may return to the room.

5 Meanwhile, why don't we go on to Item Number
6 Three, the Amendment to Small Business Program to
7 address the ten percent DBE goal.

8 Ms. Padilla.

9 MS. FONSECA: Actually, I'm Olivia Fonseca.
10 Thank you for allowing me to come and present the
11 inclusion of a ten percent disadvantaged business goal
12 to the existing Small and Disadvantaged Business
13 Enterprise program.

14

15 (Mr. Richards enters.)

16

17 MS. SCHENK: Please.

18 MS. FONSECA: Okay. As was stated earlier
19 by a couple of the presenters, the Federal Railroad
20 Administration arrived at the high-speed rail to
21 implement a DBE program and small and disadvantaged
22 business program using the best practices of 49 CFR part
23 26. The Authority had considered the thirty percent
24 goal and submission to the board in November of 2011.
25 In that particular plan, we identified that the thirty

1 percent could include small, DBE, disadvantaged
2 businesses, and micro businesses.

3 During the May board meeting, we were advised by
4 the board to consider the inclusion of the specific
5 disadvantaged to qualified DBEs into the disadvantaged
6 business program. At the time in May, the board also
7 approved a goal for disadvantaged veterans participation
8 as was aided by this year's writing of appreciation that
9 the program now includes a three percent disadvantaged,
10 disabled veteran business plan.

11 Today, I present to you in your core packet the
12 request for approval to approve a ten percent, a DBE
13 goal that is an aspirational quality that will fall in
14 the same vein as that established by the US Secretary of
15 Transportation in 49 CFR .41. The ten percent goal in
16 federal regulations is an aspirational national goal.
17 In the interim of following the proposal today, we would
18 also be following that which is the same goal that is
19 applied to highways, transits, and airports.

20 The report request today is approve the --
21 approve the inclusion of the ten percent DBE goal that
22 will be race neutral within the thirty percent small
23 business goal as described in the small business program
24 plan, also to authorize the -- Jeff Morales, CEO to
25 submit a revised small business program plan for the

1 inclusion of the ten percent to FRA for their formal
2 approval.

3 Do you have any questions?

4 MS. SCHENK: Any questions, comments,
5 concerns from members of the Authority?

6 Director Hartnett.

7 MR. HARTNETT: Thank you. I've -- given the
8 Pacific Legal Foundation on public comments and there
9 was a letter that we received that I'd like to get a
10 comment on from our CEO and our general counsel with
11 respect to that.

12 MR. FELLEENZ: Yes. Mr. Hartnett and other
13 board members, there's no reason why you can't proceed
14 with a vote today. There's nothing illegal about
15 proceeding with the adoption of the resolution that's
16 being presented to you.

17 MR. HARTNETT: If -- I'm not going to ask
18 without the -- and I know this is not a new issue in
19 terms of evaluating a program such as this, and perhaps
20 the specific matters brought in the Pacific Legal
21 Foundation letter, dated today's date, have already been
22 considered, but that's what I want to be aware of is, is
23 have you already considered in advance of today or can
24 you consider today the issues that were brought up so
25 just as to address them with confidence as we move

1 forward to go to vote?

2 MR. FELLEENZ: Yes. I did look at the letter
3 just earlier, earlier today, and this morning, and I
4 concluded that you can move ahead with this vote as
5 being presented to you.

6 MR. HARTNETT: I know Mr. Umberg had some
7 comments on this issue in previous meetings and I would
8 just -- if he wanted to amplify those comments, if he
9 wanted to talk about those -- if he wanted --

10 MS. SCHENK: Mr. Umberg, are you there?

11 MR. UMBERG: Yes, I am. Unfortunately, I
12 really can't -- I can hear you, Madame Chairwoman, but I
13 can't hear others very well.

14 MS. SCHENK: So Mr. Hartnett was inquiring
15 whether he thought that you had some concerns on this
16 issue and the issue that was raised by the Pacific Legal
17 Foundation, and if so, are you interested in sharing
18 those comments now?

19 MR. UMBERG: The one question I would have
20 is whether our plan would provide for Disabled Veteran
21 Business Enterprises the same as if we had no federal
22 money in the project. In other words, the State has
23 certain requirements with respect to DVBE, and the
24 federal government has different requirements. And the
25 sense of the board -- I think it was the motion that was

1 carried and incorporated with the plan be used with
2 State standards rather than the federal standards. So
3 this question is does this plan still have a State
4 standard as our standard for the project?

5 MS. SCHENK: I believe that -- well, we'll
6 let staff answer that, but I believe that was not what
7 you were asking, was it, Mr. Hartnett?

8 MR. HARTNETT: No. I know that was one of
9 his issues so if -- but if that's the area that he
10 wanted to comment on, that's fine.

11 MS. SCHENK: All right. So, so why don't we
12 pause for just a minute and wrap up with Mr. Hartnett's
13 concerns.

14 Were there any other thoughts on that subject?

15 MR. HARTNETT: Yes. It is my impression
16 that our program is -- on the ten percent goal is not
17 based entirely on a proposed congressional language, and
18 so I want to make sure that I am correct on that.

19 MR. FELLEENZ: That's correct. There is some
20 proposed federal language but our goal is based on
21 existing federal regulation.

22 MR. HARTNETT: And I think, so that we feel
23 confident based on the existing federal regulation as
24 compared to an assumption on what may happen on
25 post-congressional language, that we're, we're compliant

1 in our program.

2 MR. FELLEENZ: Yes.

3 MS. SCHENK: Does that satisfy -- now let's
4 turn to Mr. Umberg's question and if -- Ms. Padilla, if
5 you could try to speak in the mic. I apologize but I
6 don't know what the problem is here, but if you could
7 speak right into it, maybe he can hear you.

8 MS. FONSECA: And in speaking to
9 Mr. Umberg's question.

10 MS. SCHENK: Yes.

11 MS. FONSECA: The Disadvantaged Business
12 Enterprise goal would apply to the federal aid component
13 of the project. It is not a component of our state
14 funded contracts. So -- however, the Disabled Veteran
15 Business Goal that was passed in May by the board would
16 apply -- is applying to our federal aid program. Again,
17 it's a three percent goal within the thirty percent
18 small business overall goal.

19 MS. SCHENK: So the answer is "yes."

20 MS. FONSECA: Yes.

21 MS. SCHENK: The three percent.

22 Did you hear that, Commissioner Umberg?

23 MR. UMBERG: Um, Madame Chairwoman, I could
24 hear the last word, which was "yes." So does that
25 answer my question?

1 MS. SCHENK: That's all you need. Yes.
2 Yes, as to the three percent as a part of the ten
3 percent --

4 MS. FONSECA: Yes.

5 MS. SCHENK: -- will apply to the, the
6 disabled veterans matter.

7 MS. FONSECA: And let me clarify. It's the
8 three percent applies to -- within the thirty percent
9 small business goal for our --

10 MS. SCHENK: Within the thirty percent small
11 business goal.

12 MS. FONSECA: Yes, as approved and amended
13 during the May board meeting.

14 MS. SCHENK: Okay. And I assume if
15 Mr. Umberg has any other questions about that, he can
16 with contact you.

17 MS. FONSECA: Yes.

18 MS. SCHENK: Anything else, Mr. Umberg?

19 MR. UMBERG: Are we using the State standard
20 or the federal standard in terms of DVBE?

21 MS. FONSECA: We are using the State
22 standard for disabled veteran participation.

23 MS. SCHENK: Could you hear that?

24 MR. UMBERG: I heard that.

25 MS. SCHENK: Okay. Anything more,

1 Mr. Umberg?

2 MR. UMBERG: No. Nothing further.

3 MS SCHENK: Mr. Rossi.

4 MR. ROSSI: I'm good.

5 MS. SCHENK: No. Mr. Balgenorth.

6 MR. BALGENORTH: I'm good.

7 MR. RICHARDS: Same thing.

8 MS. SCHENK: If there are no further
9 comments or questions, do I hear a motion?

10 MR. RICHARDS: Move for approval.

11 MS. SCHENK: Second.

12 MR. ROSSI: Second.

13 MS. SCHENK: Mr. Rossi seconds.

14 Would the secretary please call the roll.

15 MS. REED: Vice-Chair Schenk.

16 MS. SCHENK: Yes.

17 MS. REED: Mr. Richards.

18 MR. RICHARDS: Yes.

19 MS. REED: Mr. Hartnett.

20 MR. HARTNETT: Yes.

21 MS. REED: Mr. Balgenorth.

22 MR. BALGENORTH: Yes.

23 MS. REED: Mr. Rossi.

24 MR. ROSSI: Yes.

25 MS. REED: And Mr. Umberg.

1 MR. UMBERG: Yes.

2 MS. SCHENK: Motion is carried.

3 Thank you very much, and before I turn the gavel
4 back to my co-vice-chair here, I want to say that this
5 is also historic, a long time in coming. We, on this
6 Authority, frankly, didn't need either encouragement or
7 direction from the federal government. This is
8 something that we are committed to and have been
9 committed to and look forward to its long-planned
10 implementation, and I want to thank you, the members of
11 the public, who have so consistently been here in
12 talking about this, encouraging, goading, but I think
13 they know that they were always on the same page. Thank
14 you very much.

15 MR. RICHARDS: Thank you Vice-Chair Schenk.

16 Moving on to Item Number Four, approval and
17 adoption of Environmental Justice Policy and Guidance.

18 Ms. Padilla.

19 MS. FONSECA: Again, I am Olivia Fonseca.
20 Pat Padilla was not able to join us today, but I'm
21 presenting on behalf of the Authority today. I also
22 present for the Authority the Environmental Justice and
23 Guidance.

24 As a requirement of Title VI of the Civil Rights
25 Act of 1964 includes the inclusion of consideration of

1 protecting our minority and low-income population also
2 known as Environmental Justice.

3 In September of 2011, FRA requested the Authority
4 to not only complete a Title VI program plan that the
5 board approved at the March board meeting but also to
6 include an additional component, which is a document
7 that stands alone and that is the environmental
8 guidance. The guidance supplements the Authority's
9 Title VI program plan.

10 The Authority vetted the proposed environment
11 policy and guidance through the Federal Railroad
12 Administration staff and internally. The FRA did
13 provide some comments, and their comments were included
14 in the version that you see today, have been presented
15 today. And I do need to note that there are a few
16 errors in your copy. They will be corrected before we
17 forward it and, of course, post it on our website.

18 The FRA requests their comments to the document
19 to ensure that we cite the US Department of
20 Transportation order 5610.2, which was recently signed
21 by Secretary LaHood in May of 2012, but that item has
22 been, again, vetted and approved, tentatively approved,
23 by FRA.

24 The adoption of the Environmental Justice policy
25 also formalizes the Authority's longstanding efforts to

1 address environmental justice matters in a very
2 comprehensive component. I also wanted to identify that
3 the Environmental Justice is a component of the EIR
4 document that had been presented to the board and
5 continue to be presented. So the Environmental Justice
6 is not new to the Authority, and it has been practiced
7 and will continue to be practiced by the Authority to
8 ensure the delivery of the EIR in arguments.

9 Environmental Justice is the fair treatment of
10 people of all races, cultures, and incomes with respect
11 to the development, adoption, implementation, and
12 enforcement of environmental law and policies. The
13 Authority is committed to applying Environmental Justice
14 to all of its programs and other activities that are
15 undertaken, funded, or approved by FRA. To that affect,
16 our policy, decisions, systems, planning, project
17 development, EIR under redesign, preliminary, final
18 design engineering, right-of-way construction,
19 operations, and maintenance.

20 Implementation of the Environmental Justice.
21 There are three; to avoid, minimize -- or mitigate
22 proportionately high human health and environmental
23 effects including social and economic effects on
24 minorities and low-income populations; to ensure the
25 full and fair participation by all types of the

1 communities in the transportation decision making
2 process; and to prevent the denial of reduction and/or
3 significant delay in receipt of benefits of minorities
4 and low-income populations. Our goals are to protect
5 the quality of human health applicable to all
6 communities, apply environmental and civil rights law to
7 achieve fair environmental protection for low-income
8 community members rights; to participate meaningfully in
9 environmental decision-making that may affect this. It
10 is also including the requirement of having mitigating
11 proficiency at our events. In other words, to ensure
12 and engage the public that does not speak English.

13 The policy that has been presented to you in your
14 packet today, requests that the board approve the policy
15 for the CEO's signature and to approve the guidance that
16 may be submitted to FRA for their review and final
17 approval.

18 MR. RICHARDS: Thank you very much.

19 Do we have any questions or comments from members
20 of the board? All right.

21 I just have one, and I ask that either
22 Mr. Fellenz or Mr. Morales, since we're implementing or
23 we're working on our policy now, I'm just wondering,
24 have we been able to address this in any way with
25 regards to the existing environmental document; is there

1 some kind of comment?

2 MR. MORALES: I think the point that Ms.
3 Fonseca made is very important that the adoption of the
4 Environmental Justice policy here is there is a portion
5 of existing practice and outstanding practice. These
6 issues have been incorporated into the environmental
7 documents to-date. The adoption of this policy is a
8 reenforcement and with a -- focusing particular
9 attention on the principle of environmental justice. I
10 believe the board and the Authority are on record with
11 adoption of this but does not suggest that we have not
12 been following these practices.

13 MR. RICHARDS: Thank you very much. I think
14 that's a really important point.

15 Mr. Rossi.

16 MR. ROSSI: Thanks. I'm looking -- I'm
17 looking at the Attachment C. Do you have it there, Tom?

18 MR. FELLEENZ: Yes, I do.

19 MR. ROSSI: It says -- one, two, three, four
20 lines down -- this is not a project that is being
21 financed by federal funds.

22 MR. FELLEENZ: And where are you looking at?
23 I'm sorry.

24 MR. ROSSI: I'm looking at Attachment C.

25 MR. FELLEENZ: Yes, uh-huh.

1 MR. ROSSI: And so --

2 MR. FELLEENZ: Okay.

3 MR. ROSSI: You have the first paragraph?

4 MR. FELLEENZ: Yes.

5 MR. ROSSI: I'm just wondering, where it
6 says, "for projects financed with federal funds," it's
7 not being financed with federal funds. 3.7 is not a
8 financing; it's a grant. So I'm just wondering if it's
9 important or not to really include this.

10 MS. FONSECA: As I stated earlier, we noted
11 that there are a couple of items that need to be amended
12 before we finalized the document, and that is one.
13 Thank you very much for bringing that to our attention
14 as there are a couple of others. Also, FRA asked us
15 that we include the new order as part of the
16 attachments. Thank you.

17 MR. ROSSI: Thank you.

18 MR. RICHARDS: Yes, Vice-Chair Schenck.

19 MS. SCHENK: Yeah, on the resolution,
20 Mr. Fellenz, do you have it?

21 MR. FELLEENZ: Yes, I have it.

22 MS. SCHENK: So the first "whereas" that has
23 "reviewed and approves the EJP policy and, guidance,"
24 that "whereas," the way I read it, is not accurate
25 because this is what we are actually going to approve

1 under the resolution. So might I suggest that we stick
2 with, "The High-Speed Rail Board has reviewed the policy
3 and guidance" and delete "approves" because the
4 "approve" will come subsequent when we adopt the
5 resolution.

6 MR. FELLEENZ: That's a very good suggestion,
7 and we'll make that change.

8 MS. SCHENK: Thank you.

9 MR. RICHARDS: Any other questions or
10 comments?

11 Seeing none, this is a request for approval to
12 authorize the CEO to transmit Environmental Justice
13 policy and guidance to the FRA with the proposed
14 amendment by Vice-Chair Schenk. Do we have a motion?

15 MS. SCHENK: So moved.

16 MR. ROSSI: Second.

17 MR. RICHARDS: Moved by Vice-Chair Schenk,
18 seconded by Director Rossi. All in favor -- or excuse
19 me. We're going to take a rollcall.

20 MS. SCHENK: Call the roll.

21 MS. REED: Vice-Chair Richards.

22 MR. RICHARDS: Yes.

23 MS. REED: Mr. Umberg.

24 MR. Umberg: Yes.

25 MS. REED: Mr. Hartnett.

1 MR. HARTNETT: Yes.

2 MS. REED: Mr. Balgenorth.

3 MR. BALGENORTH: Yes.

4 MS. REED: Mr. Rossi.

5 MR. ROSSI: Yes.

6 MS. REED: And Vice-Chair Schenk.

7 MS. SCHENK: Yes.

8 MR. RICHARDS: Thank you very much.

9 Moving on to Agenda Item Five, which is the San
10 Jose to Merced update. Mr. McLoughlin.

11 MR. MCLOUGHLIN: Good morning. Ms.
12 Vice-Chair and members of the board. Mark McLoughlin,
13 Director of Environmental Planning for the Authority.
14 At the request and direction of the board from the May
15 3rd board meeting in Fresno, we are providing an update
16 to you today for you as an information item to you on
17 the process of the wye decision for San Jose to Merced
18 section. David Leverenz, who is the project manager and
19 regional consultant for this section, will provide the
20 presentation to you.

21 MR. LEVERENZ: Thank you. Good morning.
22 What Mark didn't tell you is when I took over on the
23 project about six months ago, this is my first
24 opportunity to speak to you. So it's very nice to do
25 so.

1 This is an informational briefing. We're not
2 asking you for any action today. We will be back to you
3 in December asking for action but for now this is just
4 an update for where we are for doing San Jose to Merced.

5 I want to take about one minute to review the San
6 Jose to Merced section briefly. The alignment has five
7 subsections, here in the upper left-hand corner, in San
8 Jose. We're evaluating one alignment option, and we're
9 working with the City of San Jose on regional design
10 guidelines.

11 Moving down to Monterey Highway, we have just one
12 alignment option that we're working on through this
13 subsection. The more you go into the Gilroy subsection
14 is where you have the grey and red lines. We have two
15 highway corridors along US 101 and the UP Railroad.
16 We're evaluating design options in these facilities to
17 address the feedback that we received from the
18 stakeholders in this areas. And we're probably going to
19 need to use the San Jose stations as interim terminal
20 per the revised 2012 business plan.

21 The Pacheco Pass takes us over the hill, there,
22 and we're working with resource agencies regarding
23 impacts particularly with San Jose reservoir. Finally,
24 with valley crossing the wye is what is the focus of
25 this presentation.

1 The San Jose to Merced section team presented, we
2 were here, last summer as part of the Supplemental A
3 process. At that time, the board directed that the wye
4 decision to be made as part of the San Jose section
5 rather than the Merced to Fresno section. During that
6 time, we have been working closely with Merced to Fresno
7 after we joined meetings to ensure a smooth transition
8 over to our section. We have had ongoing meetings with
9 a wide variety of stakeholders to allow evaluations of
10 potential refinements, possible refinements.

11 With the selection of hybrids now, the team has
12 clear points for the analysis of the wye barrier as a
13 whole as -- after hearing any possible direction that we
14 might get from you today, we'll continue with technical
15 and environmental evaluation, shareholder outreach,
16 we'll conduct public information meetings, and a third
17 Supplemental A, which will come to you in December.

18 This slides shows the wye configuration which was
19 discussed in the Merced/Fresno final EIR document that
20 the board approved in May. There are three options
21 listed. You're evaluating both the north/south
22 component to each of those options and the east/west
23 components.

24 We have met with a broad range of interested and
25 effected parties including federal, state, and local

1 agencies, stakeholder organizations, agricultural
2 interests, school districts, as well as the broader
3 public. We received a lot of very useful feedback on a
4 variety of issues and interests that were concerned
5 about these various alignments, and additional outreach
6 is planned in very broad strokes that I'd like to speak
7 very briefly about what we're hearing.

8 If there's one slide that speaks to the heart of
9 what we have been doing lately, this is it. The process
10 of engaging the stakeholders has generated multiple
11 conceptual alignment as needed. West of Chowchilla,
12 we're looking at shifting the alignment either east or
13 west of that corridor roughly within Roads 11 and 13.
14 That's west of Chowchilla. East of Chowchilla, we're
15 looking at shifting the wye further east within a corner
16 bounded by Roads 18 and 19. Both east and west, we
17 remain very mindful about the benefits of following an
18 existing road.

19 Additionally, we have heard general support for
20 moving the SR 152 alignment closer to the freeway and
21 exploring alignments either north or south of that
22 freeway. An alignment along SR 152 heavily influenced
23 by a 45-year-old freeway that was signed by Madera
24 County and Caltrans in 1968. It defines six locations
25 for future interchanges and specifies that intermediate

1 roads would be done to separate the freeway.

2 We have met with Caltrans district staff as well
3 as Madera County staff together and separately multiple
4 times regarding the configuration of high-speed rail
5 along SR 152. Future, future interchanges may limit how
6 close we link up against the highway, but since an
7 alignment closer to 152 reduces considerably the
8 agricultural impacts, we continue to work with Caltrans
9 and Madera County to move in that direction, and we're
10 making quite a bit of progress.

11 In addition to any other direction the board may
12 offer today, the team will continue to gather input. We
13 will coordinate with the technical working group to get
14 local agency input; we'll conduct public information
15 meetings to get input from the public; and we'll also
16 conduct more stakeholder meetings, however many we need
17 to do. And based on the results of this process, we'll
18 complete Project B, the 404 process; we'll complete the
19 Supplemental A; and we'll return and report back to you
20 in December seeking direction at that time on which
21 specific alignments to include in the draft EIR/EIS.
22 That document, expect in the fall of 2013 following the
23 public review period. We expect to complete the final
24 EIR/EIS and obtain the NOD in spring of 2012, and the
25 ROD should follow in the summer of 2014.

1 Are there any questions?

2 MR. RICHARDS: Questions or comments?

3 Yes, Jim.

4 MR. HARTNETT: I thought the presentation
5 was very helpful in bringing us up-to-date. I would
6 like to have the CEO consider the board -- potentially,
7 having another report before December so that the
8 December presentation is somewhat fresher for us in the
9 sense, I don't want to just have a silence between now
10 and December. I'd rather get an update before then.
11 Whether it's October or November but whichever is the
12 appropriate time to do it.

13 MR. RICHARDS: Thank you.

14 Any other questions or comments from members?

15 I'd just like to make one, and I think it's
16 worthy of comment. I hear mostly, obviously, from
17 people in the area around the Valley, Merced,
18 Chowchilla, in and around the wye and to the south, and
19 I think, Mr. Morales, you should be congratulated with
20 what I'm hearing thus far, and it's been very rewarding,
21 and that is unsolicited phone calls with regards to the
22 tenor at the meeting, the outreach, the general attitude
23 of staff and consultants, the open-mindedness, and the
24 real sense of optimism with regards to how this process
25 is ongoing, even as recently as yesterday, a few phone

1 calls, and these were completely unsolicited. So you
2 should be congratulated. Let's just keep up the good
3 work.

4 All right. Thank you very much. Moving on to
5 Item Number Six -- I'm sorry. Yeah. Six, the revised
6 draft EIR/EIS Fresno/Bakersfield. Mr. McLoughlin.

7 MR. MCLOUGHLIN: Thank you. For this item,
8 as you're aware, the revised draft EIR supplemental
9 draft EIS for the Fresno to Bakersfield section which
10 was released by the Authority and the FRA on July 20th
11 for the 60-day comment period, we're providing a
12 presentation for you today. This is an information
13 update on the section for you. Jeff Abercrombie from
14 the Central Valley will provide this presentation to
15 you.

16 MR. ABERCROMBIE: Thank you, Mark. Thank
17 you, sir. I appreciate the opportunity to brief for the
18 Fresno to Bakersfield section as well as the revised
19 supplemental draft EIR documents.

20 First, it's important to point out again that
21 this is an update, and there are no decisions that need
22 to be made in conjunction with this presentation. No
23 board action is required.

24 I will review a few of the events leading up to
25 the revised draft Environmental Impact Report and

1 supplement draft Environmental Impact Statement, review
2 the project alternatives with you, and then discuss in
3 detail the ongoing work with the revised documents, and
4 then conclude with the next steps.

5 It's always important to bring that little bit
6 about where we have been. It started with the statewide
7 programatic document for the EIR/EIS in 2005, which
8 selected the BNSF border as the preferred alignment for
9 Fresno to Bakersfield notably bypassing the track
10 alignment with a bypass to Hanford to the west. That
11 document did, though, also commit to perform the study
12 for a potential station in the area because the
13 preferred alternative in that document did not have a
14 station. Through the Visalia, Tulare, Hanford station
15 feasibility study with the feedback and the impacts from
16 stakeholders in the city and the county at that time,
17 the decision was made to locate the station on the east
18 side of Hanford. That is what became of the present
19 BNSF alternatives that was released in the document in
20 2011.

21 The revised draft, that document, the draft
22 EIR/EIS, had six specific project alternatives. The
23 revised draft EIR supplemental draft EIS now has eight
24 alternatives in response to agency reviews, public
25 comments. An alignment back to the west of Hanford was

1 concluded, and a hybrid alignment in Bakersfield was
2 added. We, of course, continue to have discussions with
3 stakeholders brought in each of those we contacted as
4 appropriate, and we'll continue to do so throughout the
5 comment period.

6 These meetings, just a little over two months
7 ago, brought the revised alignments back out to the
8 public. Those -- these public -- are open house public
9 meetings -- were open house public format including all
10 aspects of what we would be seeing in terms of the
11 context of what would be discussed in the EIR documents,
12 and the team went the extra step to produce some large
13 scale maps to facilitate discussions with the attendees
14 that were there to see the alignment a little more
15 clearly and how it affects the properties that they were
16 interested in, and these were posted on the website
17 after the meetings. And then, of course, we also did
18 some focus groups as with regards to technical, and
19 those were specifically targeting government agencies in
20 a smaller setting to facilitate discussion.

21 I want to stop here for just a minute to talk a
22 little bit about our permit coordination with our
23 department agencies US EPA, US Army Corps of Engineers
24 that were responsible to continue to work through with
25 them through our EIR process, and we have three

1 checkpoints that we take each of these projects through,
2 Checkpoint A, Checkpoint B, Checkpoint C, as described,
3 that they're -- Checkpoint B is the one I want to give
4 you an update on with regards to the, specifically,
5 Fresno to Bakersfield section. And that document, that
6 checkpoint, outlines an agreement on what alternatives
7 need to be evaluated in the EIR and the EIS documents.
8 The -- most notably, it confirms that the supplemental
9 alternative analysis process that we use to determine
10 what is carried forward and what is not carried forward,
11 we are in agreement at that time. And for -- we
12 received that with, with this revised EIR/EIS document,
13 and most notably, it does confirm that the I-5 corridor
14 and various Highway 99 alignments would not be leading
15 to a least environmental damaging impact alternative.

16 This overall map of the Fresno to Bakersfield
17 section, I have highlighted the different alternatives.
18 The BNSF alternative, as named, is slightly different
19 than all the others in the sense that it is the full
20 length of the -- from the Fresno station down to the
21 Bakersfield station, but regionally, it is compared to
22 the alternatives and the other alternatives are in
23 there.

24 So I'd like to just take a few minutes to walk
25 through those and then in a little more detail on the

1 following slides the -- for example, the BNSF
2 alternative alignment in blue to the east of the City of
3 Hanford. The alternative alignment would be to the
4 Hanford west. In the Corcoran area, it would have to be
5 three, the BNSF alignment is along the west side of the
6 BNSF, rides through Corcoran. It starts at grade, and
7 as it moves through Corcoran, it becomes elevated. The
8 other alignment through Corcoran is elevated on the east
9 side of the tracks, and then the bypass that you see
10 there further to the east. Allensworth, similarly in
11 that area, the BNSF is -- on this page -- is along the
12 west side of the BNSF tracks and then the bypass.
13 Wasco, Shafter, the BNSF goes through the town area, and
14 the bypass is to the east, and then at Bakersfield,
15 there are also three alternatives as well. Eight
16 various alignments in all, 72 possible combinations. So
17 it gets a little cumbersome unless you think of it as a
18 regional basis.

19 The BNSF along the Hanford line, you've seen it,
20 was in the original draft EIR/EIS. The picture to the
21 left of the screen, there, indicates, approximately,
22 crossings of the Kings River Complex, kind of denoted by
23 the arrow, there, as well as the potential station,
24 there, to the east. That is elevated in that area to go
25 over the San Joaquin Valley Railroad and the freeway

1 198. This alignment, as you recall, is one that impacts
2 the rural community on the Ponderosa. The Hanford west
3 alignment images that you see there is near Layton going
4 aerial at that and going over the Kings River Complex,
5 and then the bottom picture is the approximate
6 boundaries and location of the proposed high-speed rail
7 station. The Hanford west actually has two options.
8 Hanford west one ties into the -- through Corcoran on
9 the west side. And then Hanford west two ties into the
10 alignments that go through Corcoran on the east side.
11 Both of those alignments have an at-grade as well as a
12 low grade option to go over -- or to have separation at
13 the San Joaquin Valley Railroad and Highway 198.

14 This is a very simple snapshot, small snapshot,
15 of the data that is in the revised draft Environmental
16 Impact Report and supplemental draft impact statement.
17 It's providing that a small -- that the revised
18 documents have a full discussion about all of the data
19 and, of course, more detailed information would be
20 presented to the board as we move forward to a preferred
21 alignment.

22 Continuing to the south, I had talked about
23 Corcoran. The upper picture, there, is near the Newark
24 Avenue area. There are some residential impacts on the
25 bypass. On the lower picture, the train would be to the

1 left in that, and this is Otis Avenue. Again, there are
2 three, the Hanford west option connects to the -- what
3 we consider a hybrid alignment that develops with the
4 City of Corcoran that would allow for a grade separation
5 of Orange Avenue and both the high-speed rail and the
6 BNSF corridor, and then there is an elevated one on each
7 side of the track all the way through town, as I
8 mentioned, bypass to the east. Again, this is a very
9 simple, small data set of the information in the EIR
10 document.

11 Allensworth at the BNSF alignment, again, runs
12 along the tracks to the west side and the existing BNSF
13 corridor. It does impact the Allensworth Ecological
14 Reserve and the Allensworth State and Historic Park.
15 The bypass moves further to the west and avoids those
16 conflicts. The alignment here is at-grade.

17 And, again, just a brief summary. The BNSF
18 alignment is -- starts out on the west side of the BNSF
19 as it moves into Wasco. It is elevated until it leaves
20 Wasco, but it crosses the BNSF to the east side and
21 continues south through Shafter and then changes back to
22 the west side and stays on the west side until it moves
23 into the city of Bakersfield. This alignment is aerial
24 in the Wasco to Shafter urban areas otherwise at-grade.

25 The picture, there, that is the Wasco Amtrak

1 Station. That would need to be relocated, and then the
2 Shafter -- again, the train will be in the background.

3 These images to the left are typical of the land
4 that you'd see on the Wasco/Shafter bypass. Again, this
5 is predominately at-grade other than at the end where we
6 do have to cross over the BNSF. And a brief snapshot of
7 some of the comparisons, some of the data in the EIR.

8 This is a map that covers the whole Bakersfield
9 area as we come into town, being on the west side of the
10 tracks, and there are three alignments. You will
11 remember many of these slides from our March board
12 meeting, where we introduced a hybrid alignment, which
13 is the green alignment, there, that was in an attempt to
14 reduce the impacts to various Bakersfield community
15 concerns.

16 Let's look at that in a little more detail.
17 We've broken it down essentially to the west side of the
18 town, central corridor of Bakersfield, and then the
19 east. The BNSF alternative, here, the alignment in red
20 is sometimes referred to as the Bakersfield south
21 alignment and that was due to the station -- to the
22 station was towards the south relative to the other
23 alignments. The Bakersfield north alignment was the
24 blue. That was because the station was to the north
25 slightly, and then on the hybrid is, again, green. The

1 BNSF yard is what is pictured, there, on that is
2 magnified by the blue alignment. And then a little
3 further to the east is the Bakersfield High School
4 image. On the top of the map, there, is the office
5 complex by the hospital.

6 Here is the central core. We'll zoom here in the
7 next slide a little bit more about the station, but you
8 can see some of the community interests highlighted
9 there. The image that is pictured there is of Saint
10 George Greek Orthodox Church, which it would be adjacent
11 to both the north station site as well as the hybrid,
12 which is -- station site is a little bit further to the
13 east, taking a little bit closer look at that.

14 Essentially, all three of those station sites are in
15 very close proximity. The yellow is the north station
16 site associated with Bakersfield south -- excuse me.
17 The blue line is the Bakersfield north option, and the
18 blue area was the south station associated with the BNSF
19 alternative, and the hatching is associated with the
20 hybrid alternative.

21 This is to the Bakersfield east section, and
22 based on comments received on the draft EIR/EIS, revised
23 draft Environmental Impact Report, supplemental draft
24 impact statement, shows the extensions to the east of
25 the stations for all three of these segments until they

1 merge back together at about Oswald. This is to better
2 help the public understand the potential impacts in that
3 area and whether they specifically are impacted.

4 And this is the last table, and, again, you may
5 note here that the hybrid has reduced some impacts in
6 the area, but in other publications the impacts have
7 increased.

8 As Mark mentioned, and I, that the revised
9 EIR/EIS documents were released on July 20th and with --
10 for the 60-day comment period. We will close on
11 September 20th. All the comments that are received
12 during this period and as well as the comment period for
13 the 2011 document will be addressed in the final EIR/EIS
14 formally.

15 What we have coming up first is to facilitate the
16 public's getting comment on these documents is some
17 informational workshops. The focus of these documents
18 is similar to what we did last year is to make it a open
19 house format where we can answer questions; where we can
20 show people where to find information in the document;
21 how to find information in the document; how to comment
22 on the document; and if they are ready to submit
23 comments, we will receive written comments. The
24 schedule is there, and we picked some of the smaller
25 locations for these to help make sure that there is as

1 much coverage as possible up and down the alignment.

2 This effort is obviously in addition to the
3 required public meetings which focus really on receiving
4 public oral comment with a court reporter and the
5 scheduled meeting dates are there starting -- the next
6 one is scheduled in Bakersfield in August 27th and then
7 in the Hanford area on August 28th, in Fresno the 29th,
8 and I expect there will be some of you again at those
9 hearings.

10 To conclude, for next steps, we have a comment
11 period that will close September 20th. Comments will be
12 reviewed and merged in with the previous comments. We
13 will look at those and the data, get to work with our
14 cooperating agencies to come up with a preferred
15 alternative to bring to the board in the fall. We
16 anticipate a final EIR/EIS to the public at the end of
17 2012 so that the board can review that, certify it with
18 a target date of February 2013, and FRA issues a record
19 of decision about a month after that.

20 Does the board have any questions for me?

21 MR. RICHARDS: Ms. Schenk?

22 MS. SCHENK: Well, the first question I have
23 was raised by a couple of the speakers and that is the
24 60-day comment period for 30,000 pages of documents. I,
25 too, don't think that this was anticipated when we first

1 had these regulations to implement the CEQA laws. Is
2 there any possibility of stretching this out without
3 causing major harm? I guess I have to direct that to
4 our CEO.

5 MR. MORALES: Madame Chair, if I could make
6 a few comments about things we are doing to help the
7 public evaluate this document. We understand the
8 complexity and the level of interest, and it's important
9 to work through that. One of the prior slides spoke to
10 the public workshops that are being put together, which
11 are specifically intended to help the public understand
12 how they can read the document, how to understand it,
13 how to comment on it. One of the other points the --
14 this document is a revision of a document issued a year
15 ago. In the document that has been issued, the changes
16 on that prior document have been highlighted so that
17 people can understand what they have seen previously and
18 what they are seeing that is new so they can focus in on
19 that, and that is a significantly smaller portion of the
20 document than the entire document.

21 One other step I would just note, and then I'd
22 invite other documents from Mr. Abercrombie, we have
23 provided an additional hardcopy to Mr. Oliviera's group,
24 providing the full document. We'll have that. I
25 believe there was one piece of it that had not been

1 provided and is being provided today. We understand,
2 again, the complexity, and in an effort to make it more
3 accessible to his group, and in particular his group, we
4 have provided a hardcopy above and beyond what's
5 available in the public libraries and other locations.

6 On the comment period, the required comment
7 period is 45 days. When we issued the document, we went
8 to 60 days right off-the-bat recognizing the complexity
9 of it. We will certainly entertain and evaluate further
10 requests for extensions as we go through, and I expect
11 that will be an issue that is covered in these
12 workshops, and we'll certainly evaluate that as a
13 possibility.

14 MS. SCHENK: Well, good. I think a hundred
15 and twenty days is too much, but there might be some
16 give and take there. I think what we ought to do is
17 make sure that the public understands that this has been
18 around for a year and where the supplemental information
19 ties back to the underlying document, that does make it,
20 of course, much more manageable. So thank you.

21 MR. RICHARDS: I think all we want to do is
22 we don't want anybody to think, at this point, that
23 there is an extension beyond what's been noted and to
24 move forward on the basis of acknowledging that right
25 now it's sixty days and not to rely on the fact that

1 that may change.

2 Okay. Anything else? Yes, Mr. Rossi.

3 MR. ROSSI: I noticed the workshop dates,
4 again, listening to the things mentioned by previous
5 speakers, are they only held during the day, or will we
6 hold them at night?

7 MR. ABERCROMBIE: The workshops run from
8 3:00 to 7:00 p.m. so that we catch those that are in
9 that shift before 5:00 p.m. and those that are in the
10 shift that might be after 5:00 p.m., and they, again,
11 are targeting into, you know, the less urban areas to
12 try and make sure that we're giving everybody the
13 attention and the ability to understand how to get to
14 the document and how to respond to the document.

15 MR. ROSSI: Thank you.

16 MR. RICHARDS: All right. Thank you.

17 Anything else for Mr. Abercrombie? If not, Jeff,
18 thank you very much.

19 Unless there's any objection from the members,
20 we're going to move to Item Number 9, the CEO Report
21 next, and then we'll come back to Items 7 and 8.

22 MR. MORALES: Thank you, Mr. Chairman and
23 members of the board. As this had been noted, this is
24 my first report to the board in this capacity, and I'm
25 pleased to be here, and we are making progress. It's

1 been mentioned, but we shouldn't overlook the fact that
2 we did have a very historic occasion here with the
3 approval of the funding package and the governor signing
4 that into law.

5 It really is a historic occasion. The
6 appropriation that was provided in four different
7 categories, I think it's worth noting for people, and it
8 really represents the evolution of this program into an
9 unprecedented statewide investment in rail throughout
10 California that will provide huge improvements both in
11 the near future and over the long run. The four
12 categories are first, to begin the construction of the
13 first dedicated high-speed system not only in the state
14 but in the country in the Central Valley. It includes
15 funding for ongoing preliminary engineering design work
16 and the other segments of the system. Third, it funds
17 specific connectivity projects which are being
18 managed -- or will be managed and provide benefits in
19 local regional transit systems, and fourth, it provides
20 investments in what has become known as the bookends
21 consistent with the Memorandum Of Understanding that
22 have been reached between the Authority and regional
23 partners in northern and southern California. Those
24 investments will provide near term benefits and lay the
25 groundwork for the long term approval of the high-speed

1 rail system. Combined, what this package did was it
2 grew the 4.7 billion in state bond funds, in turn,
3 leveraging almost 13 billion of investments throughout
4 the state, a really critical movement, and I'll discuss
5 what we're doing with our partners to advance this
6 program.

7 A few items in terms of the priorities, I spoke
8 to the board about staking on the job of building an
9 organization capable of delivering this program,
10 strengthening our partnerships with regional agencies
11 and other stakeholders, and expanding our capability to
12 deliver projects.

13 On the organization program grant, one of the
14 areas that this board has been very concerned about,
15 legislature and others have, is the lack of senior staff
16 at the Authority, and I'm pleased to say that we're
17 making real progress on that. I expect to be able to
18 announce within the next week or so, the majority of
19 senior positions being filled at the Authority. We have
20 identified candidates and are in the final process of
21 bringing them on board. What this will do in a
22 principle in filling out the organization is ensuring
23 that we have government people making government
24 decisions and able to be held accountable for those
25 decisions. It also puts a stronger emphasis on local

1 representations so that as we move forward in northern
2 California, in the Central Valley, and in southern
3 California, we have people on the ground to be
4 accountable to our stakeholders there and represent the
5 Authority.

6 I also wanted to note one particular hired-on of
7 significance in the context of the adoption of the small
8 business program and that is the adoption, the bringing
9 on board of a small business advocate. Robert Padilla
10 is here. Robert has held this position at Caltrans.
11 We've brought him over to the High-Speed Rail Authority.
12 His job is to, specifically, be the advocate for small
13 businesses in participating in our program. So he will
14 be out in the field working with small businesses,
15 helping them understand how to be a certified, how to
16 connect with primes, and work through that process.
17 He'll be a very important part of our ability to
18 actually achieve the goals that we have. We have also
19 made real progress in addition to the interagency
20 agreement that was approved here identifying other
21 shared resources for the Caltrans and other agencies so
22 that we can leverage existing skills throughout state
23 government.

24 In terms of our partnerships, we have met -- had
25 a meeting a week ago with Caltrans to look at how we

1 start with Caltrain, which is funded through this
2 program. We expect to see the first milestones in this
3 program be achieved this fall. That will be the first
4 electrified system in the State of California. We'll be
5 proceeding with a system that is primarily,
6 substantially within the Caltrain right-of-way at-grade
7 and consistent with project level EIR. We'll also head
8 to southern California agencies and start advancing
9 projects there consistent with the MOU. Next week, I
10 and board member Richards will be in Fresno meeting with
11 the mayor and other local leaders to move the Central
12 Valley forward and make sure we're addressing the issues
13 there.

14 We have also seen significant progress since the
15 last board meeting. The California Transportation
16 Commission approved the productivity project, which was
17 \$900-plus million of improvements in the bookends. We
18 expect to see, in fact, the first allocation of those
19 funds as early as this month by this agency from
20 Metrolink to start up, and we will be reporting to this
21 board on the progress of those projects.

22 In terms of our capability of delivering, we have
23 just had the presentation of the draft EIR, revised
24 draft EIR, and the public meetings and being made there.
25 I do want to note that those documents are also

1 available online and in CD form, which we can make
2 available to anyone requesting.

3 We expect the ROD and NOD on the northern section
4 at Fresno this month. We're continuing to move forward
5 on the RFP for the construction, and on August 14th,
6 we'll have an industry outreach meeting in Fresno to
7 present and start discussing construction packages two
8 through four with both potential prime contractors and
9 subcontractors.

10 The final point I want to make, we will be
11 issuing, later this week, our response to the Bureau of
12 State Audits on our state audit report. I'm very
13 pleased to say that each of the items that the BSA has
14 identified, in this response, we are showing not just a
15 commitment to address our issues but actual results in
16 dealing with their issues. We also have a series, as a
17 result of the appropriation of legislative reports that
18 will be due, and we are moving forward on those and will
19 be providing those updates to the board as well.

20 With that, any questions?

21 MR. RICHARDS: Any questions for our CEO
22 Morales?

23 I just want to make one comment, and I really
24 congratulate and thank you for bringing Robert Padilla
25 on board. I think one of the major issues with regards

1 to a small disadvantaged and disabled business program
2 is that so many of these small businesses are not
3 certified. So it's great to have a program. It's even
4 greater to make sure that we have the ability to help
5 these small businesses interested in doing work on
6 high-speed rail and have the ability to be certified so
7 they can become real participants. And Robert, I
8 understand, is a bulldog so -- very familiar with the
9 Valley and we're all going to be happy to see you down
10 there.

11 MR. MORALES: He's a bulldog in more ways
12 than one.

13 MR. RICHARDS: All right. Moving on to the
14 Item Number 8, which is an update on the Title VI
15 Program.

16 MS. FONSECA: This item is for informational
17 purposes only and does not require any action by the
18 board.

19 On March first, 2012, the board adopted the Title
20 VI Policy for approval by the FRA. I forgot to say that
21 FRA approved the Title VI program on May 25th.

22 Any questions?

23 MR. RICHARDS: Any questions or comments?

24 Thank you very much.

25 MS. FONSECA: Item Number Seven is -- this

1 item is also for informational purposes and does not
2 require action by the board.

3 On September 15th, 2011, FRA directed the
4 California High-Speed Rail to conduct a Disadvantaged
5 Business Enterprise disparity study. That request was
6 as a result of a Title VI complaint that was filed in
7 December of 2010. The directed was to complete the
8 study no later than one year from September 15th. That
9 means that the study would have been completed in a
10 couple months from now.

11 On October six, the Authority requested FRA to
12 authorize the use of the existing grant fund study and
13 estimated the amount of \$250,000. On April 26th, FRA
14 authorized the funding request. However, we also saw
15 that we did not have enough time in the year to complete
16 the study as initially directed by FRA. Therefore, we
17 requested an extension of the completion of the
18 disparity study. FRA approved that and scheduled that
19 on June 26. We will be moving forward and completing
20 the availability and disparity study by July 2013.

21 The study will examine the availability of DBEs
22 who are ready, willing, and able to participate in
23 high-speed rail projects and examine what extent there
24 are disparities between availability of DBEs and the
25 utilization of the Authority's past federally-assisted

1 contracts. The Authority's past contracts awarded are
2 all professionals at this time. The selected
3 consultants may use this information for existing
4 disparity studies such as those from Caltrans, Bay Area
5 Rapid Transit. The consultants will be evaluating the
6 disparities that may exist and will be formalizing in
7 the establishment the DBE goal that we said earlier is
8 the availability of the DBE goal who are ready, willing,
9 and able to be hired on in these historic projects.

10 MR. RICHARDS: Any questions or comments?

11 All right. Thank you very much.

12 Ladies and gentlemen, thank you very much for
13 your attendance and participation. We're now going to
14 go into closed session to discuss litigation. We will
15 report out at the end of the closed session, which is --
16 my guess is -- will be an hour.

17
18 (Whereupon the board entered into closed session at
19 10:58 a.m.)

20
21 --o0o--
22
23
24
25

1 I, Brittany Flores, a Certified Shorthand Reporter of
2 the State of California, duly authorized to administer
3 oaths, do hereby certify:

4 That the foregoing proceedings were taken before me
5 at the time and place herein set forth; that any
6 witnesses in the foregoing proceedings, prior to
7 testifying, were duly sworn; that a record of the
8 proceedings was made by me using machine shorthand which
9 was thereafter transcribed under my direction; that the
10 foregoing transcript is a true record of the testimony
11 given.

12 Further, that if the foregoing pertains to the
13 original transcript of a deposition in a Federal Case,
14 before completion of the proceedings, review of the
15 transcript () was () was not requested.

16 I further certify I am neither financially interested
17 in the action nor a relative or employee of any attorney
18 of party to this action.

19 IN WITNESS WHEREOF, I have this date subscribed my
20 name.

21
22 Dated:

23
24 _____

25 Brittany Flores CSR 13460